

# MEMO ENDORSED

UNITED STATES DISTRICT COURT  
SOUTHERN DISTRICT OF NEW YORK

USDC SDNY  
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ELECTRONICALLY FILED  
DOC #:  
DATE FILED: 5/15/08

CARTAGENA ENTERPRISES INC. d/b/a  
CARTAGENA PUBLISHING,

Case No. 07 CV 3686 (DC)

Plaintiffs,

- against -

## STIPULATION AND ORDER OF SETTLEMENT

UNIVERSAL MUSIC LATINO, UNIVERSAL  
MUSIC AND VIDEO DISTRIBUTION, INC.,  
UNIVERSAL MUSIC DISTRIBUTION  
CORP. and UNIVERSAL MUSIC COLOMBIA,

Defendants.

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IT IS HEREBY STIPULATED AND AGREED, by and between Plaintiff, Cartagena Enterprises Inc. d/b/a Cartagena Publishing ("Plaintiff"), and Defendants, Universal Music Latino, Universal Music and Video Distribution, Inc. and Universal Music Distribution Corp. ("Defendants"), by their respective attorneys, and so ordered by the Honorable Denny Chin, United States District Judge for the Southern District of New York, as follows:

WHEREAS, on or about May 15, 2007, Plaintiff commenced this action against the Defendants; and

WHEREAS, Plaintiff and Defendants enter this Stipulation and Order of Settlement solely for the purpose of avoiding the burden and expense of additional litigation;

NOW, THEREFORE, the parties agree as follows:

1. Pursuant to Rule 41 of the Federal Rules of Civil Procedure, this action is hereby dismissed with prejudice and without costs or attorneys' fees to any party.

2. The parties agree that Defendants shall pay to Plaintiff an amount inclusive of interest, fees, and costs to be determined by Judge Chin in the following manner:

(a) At the close of the arbitration hearing, each party will present to the Court an envelope in which it will set forth the amount that each party believes the Defendants should pay to Plaintiff (the "Parties Separate Submissions").

(b) Without reviewing the Parties' Separate Submissions, the Court will determine the amount that it believes should be paid by the Defendants to the Plaintiff (the "Court's Initial Determination").

(c) The Court will then compare its Initial Determination to the amounts set forth by the parties in the Parties' Separate Submissions.

(d) The Court will then direct the Defendants to pay to the Plaintiff the amount indicated by the party whose Separate Submission is closest to the Court's Initial Determination (the "Binding Arbitration Award"). The Binding Arbitration Award shall be paid by Defendants to Plaintiff within fifteen business days following the issuance of Judge Chin's determination, failing which judgment will be entered in that amount in favor of Plaintiff against Defendants.

3. The hearing shall be in lieu of a trial and will be conducted on a date and a time to be set by the Court, at the United States Court House, Courtroom 11A, 500 Pearl Street, New York, New York.

4. At the hearing each party shall have approximately one hour to make a presentation to the Court, including time for rebuttal.

5. The parties may offer documentary evidence and arguments of counsel at the hearing, but no live testimony may be presented. Each party, however, may make a five minute statement directly to the Court.

6. The parties will jointly submit a document entitled Stipulated Facts For Binding Arbitration at least one week prior to the hearing date.

7. Written position statements, not to exceed ten pages, will be presented to the Court one week prior to the hearing date, with a copy to the opposing party.

8. All exhibits shall be marked and submitted to the Court one week prior to the hearing date, with copies to the opposing party.

9. Each party to this Stipulation and Order of Settlement hereby acknowledges its understanding that Judge Chin's determination in this matter is binding, final, and nonappealable.

10. The parties hereby release each other from any and all obligations and claims, except any obligation imposed by virtue of paragraph 2 above, the intent being or all disputes between the parties, based on the events occurring to date, to be finally resolved by these proceedings.

Dated: May 13, 2008  
New York, New York

BALBER PICKARD MALDONADO &  
VAN DER TUIN, PC

By: 

Roger Juan Maldonado (RM-7035)

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*Attorneys for Plaintiff Cartagena Enterprises  
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By: 

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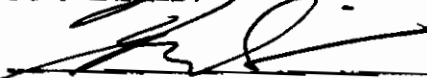
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*Attorneys for Defendants Universal Music  
Latino, Universal Music and Video  
Distribution, Inc., and Universal Music  
Distribution Corp.*

SO ORDERED:



this 15<sup>th</sup> day of May, 2008

DENNY CHIN  
United States District Judge